



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

Department of Natural Resources

Division of Oil & Gas  
Anchorage Office

550 W. 7<sup>th</sup> Avenue Suite 1100  
Anchorage, Alaska 99501-3560  
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September 20, 2013

Dear Alaskan:

The State of Alaska proposes to sell North Slope royalty oil to Tesoro Refining & Marketing Company LLC (Tesoro). Under the proposed contract, Tesoro will buy 5,000 to 15,000 barrels of royalty oil per day from the State's leases on the North Slope for a one-year period. This oil will be processed at Tesoro's Alaska refinery at Nikiski in the Kenai Peninsula Borough.

Enclosed for your review and comment is a copy of the commissioner's "Preliminary Finding and Determination to Sell Royalty Oil to Tesoro Refining and Marketing Company, LLC." Included with this document is a draft of the proposed contract.

These findings are preliminary; final conclusions have not been reached. Comments received from the public will be used to determine whether the proposed contract is in the state's best interest, and if so, whether changes are needed. Based on this public input, a final Finding and Determination will be published and the commissioner will execute the contract.

Comments must be received by **October 23, 2013** and should be mailed or emailed to:

Kevin Banks  
Division of Oil and Gas  
550 W. 7<sup>th</sup> Avenue, Suite 1100  
Anchorage, Alaska 99510-3560  
Phone: (907) 269-8781  
Email: [kevin.banks@alaska.gov](mailto:kevin.banks@alaska.gov)  
or see the Division of Oil and Gas website at <http://dog.dnr.alaska.gov/>

If you have any questions, please call or email Mr. Banks. Thank you for your interest.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jonne Slemons".

Jonne Slemons  
Deputy Director

Enclosures